

First, as to temporary investments in Government securities, it must be remembered that these securities fluctuate in value like everything else.

In May, 1873, they were at $119\frac{1}{2}$, while in November, 1873, a period as remote from the date of payment of interest as the former date, they had fallen to $112\frac{1}{4}$. Now suppose \$100,000 had been invested at the former date, the cost would have been \$119,500, besides the expenses of buying and of transportation, while at the very time the necessities of the treasury would have required a sale in the fall of 1873, only \$112,250 could have been obtained, thus losing \$7,250, only receiving the interest \$3,000, making a net loss of \$4,250 besides the expenses of buying and selling.

Another objection is the withdrawal of currency from North Carolina and sending it to the great money centres, thus causing stringency in the State money market. If the speculation should be successful and a few thousand dollars realized, that would be insignificant compared to the advantages accruing to the people by having the money in the State.

A third objection is that the scheme would change the whole character of the office of State Treasurer. So far as relates to the moneys of the State, since the foundation of the Government, the Treasurer has been by law merely a custodian charged with no discretion, except to keep them securely and pay them out on the warrants of another officer. For this he gives bond with approved security in the sum of \$250,000. Now if he should be ordered to engage in buying and selling government bonds, such duty would be totally different from any which has been heretofore imposed on him. His sureties would have a right to complain of this change.

There would not be wanting in times of party excitement persons who would bring charges against the Treasurer of fraud in the buying or the selling, or in both, which charges in consequence of the rapid changes in the price of bonds, could at any time be made, to the minds of the credulous, however false, to have the appearance of plausibility. This might